

**COUNTY OF FAUQUIER, VIRGINIA**

**Exhibit 10**

**Statement of Cash Flows  
Proprietary Funds  
Fiscal Year Ended June 30, 2005**

	Business-Type Activity			
	Enterprise Funds			Governmental Activities
	Airport Fund	Landfill & Recycling Fund	Total	Internal Service Funds
<b>Cash Flow from Operating Activities</b>				
Receipts from customers and users	\$ 221,538	\$ 7,738,163	\$ 7,959,701	\$ 14,262,905
Payment to suppliers and other operating activities	(148,021)	(3,647,576)	(3,795,597)	(13,165,763)
Payment to employees (including fringes)	(85,828)	(982,484)	(1,068,312)	(684,228)
Net cash provided by (used in) operating activities	(12,311)	3,108,103	3,095,792	412,914
<b>Cash Flow from Noncapital Financing Activities</b>				
Transfers in	60,559	-	60,559	153,000
Due to other funds	-	-	-	47,817
Net cash provided by noncapital financing activities	60,559	-	60,559	200,817
<b>Cash Flow from Capital and Related Financing Activities</b>				
Acquisition and construction of capital assets	(4,761,660)	(1,151,034)	(5,912,694)	(15,977)
Principal paid on debt	-	(335,000)	(335,000)	-
Proceeds from interfund obligation	(537,386)	-	(537,386)	-
Interest and other fiscal cost on debt	-	(90,677)	(90,677)	-
Federal and state reimbursements for capital projects	5,250,676	22,741	5,273,417	-
Net cash provided by (used in) capital and related financing activities	(48,370)	(1,553,970)	(1,602,340)	(15,977)
<b>Cash Flow from Investing Activities</b>				
Interest	122	79,811	79,933	135,856
Net cash provided by investing activities	122	79,811	79,933	135,856
Net increase (decrease) in cash and cash equivalents	-	1,633,944	1,633,944	733,610
Cash and cash equivalents - beginning of the year	-	2,303,998	2,303,998	4,323,385
Cash and cash equivalents - end of the year	-	3,937,942	3,937,942	5,056,995
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities</b>				
Cash flows from operations:				
Operating income (loss)	4,002	117,549	121,551	152,700
Adjustment to reconcile net income to net cash provided by operations:				
Depreciation	52,228	296,443	348,671	25,484
Changes in operating assets and liabilities:				
(Increase) in receivables	(43,269)	(234,746)	(278,015)	183,109
Increase in incurred but not reported claims	-	-	-	71,100
(Increase) in inventory	-	-	-	(15,396)
Increase (decrease) in accounts payable	(29,509)	83,115	53,606	(12,748)
Increase in landfill closure & post-closure costs	-	2,843,091	2,843,091	-
Increase in accrued liabilities	4,237	2,651	6,888	8,665
Net cash provided by (used in) operating activities	\$ (12,311)	\$ 3,108,103	\$ 3,095,792	\$ 412,914

The accompanying notes to financial statements are an integral part of this statement.